

Prevailing Wage Program

What is the Prevailing Wage Law effective date and to which contracts does it apply?

The Montgomery County Prevailing Wage Law, Montgomery County Code §11B-33C, became effective July 1, 2009 and requires contractors and subcontractors to pay prevailing wages to workers on County financed construction contracts valued at more than \$500,000.

How does it work?

The law is designed to ensure that construction workers employed on County financed construction contracts are paid the going rate for their services. The law also prohibits the misclassification of workers into lower paying job categories; gives the County the ability to withhold contractor payments if a violation of the law is found; and imposes reporting requirements to ensure compliance.

Who benefits from the Prevailing Wage Law?

Montgomery County has taken an important step in passing a prevailing wage law that uplifts workers and requires construction contractors who are awarded County financed construction contracts to pay their workers the amount typically paid for similar work in the local labor market. For workers, the Prevailing Wage Law represents the fairness they deserve in return for the work they do.

Wage Determinations

The County prevailing wage rates are established annually by the State Commissioner of Labor and Industry. The law requires employees on County financed construction contracts to be paid overtime for hours in excess of 10 hours in a single day, and for work performed on a Sunday or a recognized holiday. Contractors found to be paying wages below the prevailing wage rate may be fined \$20 per day for each worker paid less than the established rate.

Certified Payroll Statements

Contractors on County financed construction projects covered by the Prevailing Wage Law are required to submit certified payroll statements for straight time and overtime work. Certified payrolls must be submitted within 14 days after the end of the payroll period. The penalty for late submission of payroll is \$10 for each calendar day the records are late.

Contact Us:

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